

July 27, 1988

TO: Atlas General File, M/037/051
FROM: Frank Filas, Reclamation Engineer
RE: Transfer and Bonding of Atlas Mine Sites

It is my understanding that Atlas Minerals is having a firesale and will be transferring up to eight of their mine sites or portions of them to other companies. The majority of these sites are overbonded at the present time because Atlas did not develop the mines to the extent proposed and they have done quite a bit of clean up and reclamation during the past five years. The current bond amount and a new bond estimate is listed below for seven of these mines. The estimate can, obviously, be reduced further if portions of the site(s) are reclaimed prior to permit transfer.

<u>Mine Name</u>	<u>File No.</u>	<u>Current Bond</u>	<u>Proposed Bond</u>
Patti Ann	M/037/003	\$30,210	\$23,800
Standard I	M/037/005	\$23,018	\$ 5,700
Rim/Columbus	M/037/006	\$57,068	\$36,100
Standard II	M/037/011	\$ 9,795	\$ 1,300
Dunn	M/037/017	\$45,441	\$13,200
Far West	M/037/019	\$105,061	\$35,300
Ivy	M/037/034	\$11,657	\$ 3,500
	Total	\$282,250	\$118,900

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Far West, M/037/019

Description:

This mine used to be Atlas' Big Indian headquarters. The site now consists of approximately a dozen large butler buildings on a 15 acre pad area. An asphalt road accesses the site and will have to be reclaimed unless the BLM desires to keep it. One decline is also present on site. Atlas has completed a good deal of clean-up and salvage on this site.

<u>Item</u>	<u>Amount</u>	<u>Rate</u>	<u>Cost</u>
Remove Buildings	12 buildings	lump sum	\$10,000
Seal Portal	1	lump sum	1,000
Reclaim Road	60 hours FE Loader, D-7, haul truck	\$200/hr	12,000
Regrade pad area	D-7 24 hours	\$110/hr	2,600
Rip & Seed pad and road area (20 acres)	D-7 w/one laborer 16 hours	\$125/hr	2,000
Seed	20 acres	\$50/ac	1,000
		Subtotal	\$28,600
10% Contingency			2,900
Total in 1988 \$			\$31,500
Escalation (2.3% for 5 years)			3,800
Total in 1993 \$			\$35,300